

# COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 15 July 1982

Proposal for a  
COUNCIL REGULATION (EEC)

determining, for the 1982/83 wine-growing year, the prices to be paid under the compulsory distillation of the by-products of wine making and, notwithstanding Regulation (EEC) N° 349/79, the amount of the contribution from the Guarantee Section of the European  
Agricultural Guidance and Guarantee Fund

(submitted to the Council by the Commission)



EXPLANATORY MEMORANDUM

The object of this Regulation is to fix the prices of the by-products and wine from wine deliveries, the price of the alcohol which will be taken over by the intervention agencies and the share of expenditure falling upon the intervention agencies which will be financed by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund for the 1982/83 wine-growing year. It also provides for EAGGF finance on a flat-rate basis, as for the last campagne, in order to remedy some administrative and accounting difficulties encountered in the Member States and during checks for clearance of the accounts.

PROPOSAL FOR  
COUNCIL REGULATION (EEC)

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 337/79 of 5 February 1979 on the common organization of the market in wine<sup>(1)</sup>, as last amended by Regulation (EEC) No 3572/81<sup>(2)</sup>, and in particular Article 39 (6) thereof,

Having regard to the proposal from the Commission,

Whereas, in accordance with Article 39 of Regulation (EEC) No 337/79 and Articles 2 and 3 of Council Regulation (EEC) 349/79 of 5 February 1979 on the distillation of the by-products of wine making<sup>(3)</sup>, the Council fixes for each wine-growing year the buying-in price for wine deliveries and the price for the alcohol from wine deliveries under the compulsory distillation of the by-products of wine making;

Whereas the buying-in price for wine deliveries, in accordance with Article 2 of Regulation (EEC) No 349/79, should be between 30 and 40 % of the guide price for table wine of type A I applicable with effect from 16 December 1982; whereas the said price, while remaining within the abovementioned limits, should be fixed taking into account both the need to ensure that all producers fulfil all their obligations to distil the by-products of wine making, and the level of the market price for vinous alcohol;

Whereas when the price of alcohol from wine deliveries referred to in the first subparagraph of Article 3 (2) of Regulation (EEC) No 349/79 is fixed, the criteria referred to in that provision should be taken into account on a standard basis; whereas, on the other hand, when the prices referred to in the third subparagraph of the said paragraph are fixed, they should be based on the variations in cost which result from the differing origins of the alcohol supplied; whereas all these prices apply to alcohol with an actual alcoholic strength not lower than 92 % vol, pursuant to Article 1 (2) (d) of Regulation (EEC) No 349/79;

Whereas, pursuant to Article 39 (6) of Regulation (EEC) No 337/79, Article 4 of Regulation (EEC) No 349/79 lays down that the contribution by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF) towards expenditure incurred by intervention agencies shall be limited to losses incurred by those agencies and, in any case, subject to a ceiling; whereas it has been found that this system involves administrative and accounting difficulties for the intervention agencies in question; whereas, moreover, the losses so incurred always exceed the said contribution by the EAGGF; whereas the appropriate instrument for resolving these difficulties is the solution adopted in Article 4b of Council Regulation (EEC) No 343/79 of 5 February 1979 laying down general rules governing certain distillation operations in the wine sector<sup>(4)</sup>, as last amended by Regulation (EEC) No 2008/81<sup>(5)</sup>, for the purposes of distillation as referred to in Articles 40 and 41 of Regulation (EEC) No 337/79 and a flat-rate sum should be fixed per hectolitre of pure alcohol taken over, payable to the intervention agencies regardless of their losses; whereas Article 4 of Regulation (EEC) No 349/79 must be waived for this purpose;

(1) OJ No L 54, 5. 3. 1979, p. 1.

(2) OJ No L 352, 15. 12. 1981, p. 1.

(3) OJ No L 54, 5. 3. 1979, p. 84.

(4) OJ No L 54, 5. 3. 1979, p. 64.

(5) OJ No L 195, 18. 7. 1981, p. 3.

Whereas the amount of the contribution from the EAGGF, Guarantee Section, should be fixed in the light of the alcohol market situation,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. The prices for the 1982/83 wine-growing year shall be as follows:

- 1,00 ECU per % vol alcohol per hectolitre for the buying-in-price for wine deliveries,
- 1,56 ECU per % vol alcohol per hectolitre for the price of the alcohol from the wine deliveries referred to in the first subparagraph of Article 3 (2) of Regulation (EEC) No 349/79,
- 1,69 ECU per % vol alcohol per hectolitre for the price of the alcohol from the wine deliveries from marc referred to in the third subparagraph of the aforesaid Article 3 (2),

- 1,43 ECU per % vol alcohol per hectolitre for the price of the alcohol from the wine deliveries from wine referred to in the third subparagraph of the aforesaid Article 3 (2),
- 1,43 ECU per % vol alcohol per hectolitre for the price of the alcohol from the wine deliveries from lees referred to in the third subparagraph of the aforesaid Article 3 (2).

2. Notwithstanding Article 4 of Regulation (EEC) No 349/79, the amount of the contribution from the EAGGF, Guarantee Section, in expenditure incurred by intervention agencies for the same wine-growing year shall be 0,45 ECU per % vol alcohol per hectolitre.

*Article 2*

This Regulation shall enter into force on 1 September 1982.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Council*

*The President*

# FINANCIAL STATEMENT

Date : 30.06.1982

1. BUDGET HEADING : Act 1612-compulsory distillation of the by-products APPROPRIATIONS : 1982: 36 Mio ECU

2. TITLE : Proposed Regulation determining for the 1982/83 wine-growing year, the prices to be paid under the compulsory distillation of the by-products of wine-making and the amount of the contribution from the Guidance Section of the EAGGF.

3. LEGAL BASIS : Reg. 337/79, Art 39

4. AIMS OF PROJECT : Fixing, for 1982/83, the prices of the wine by-products, of compulsory deliveries, of alcohol for delivery to intervention agencies and the proportion of expenditure incurred by these agencies to be financed by the EAGGF.

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR ( 82 )	FOLLOWING FINANCIAL YEAR ( 83 )
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)	44,0 m ECU	p.m.	44,0 m ECU
- XXXXXXXX			
- XXXXXX			
XXXXXXX			
XXXXXXXXXXXX			
XXXXXXXXXXXX			
XXXXXXXXXXXX			
XXXXXXXXXXXX			
XXXXXXXXXXXX			
5.0.1 ESTIMATED EXPENDITURE			
5.0.1 ESTIMATED RECEIPTS	Covers	a single	marketing year.

## 5.2 METHOD OF CALCULATION

$$0.8 \text{ m hl pure alcohol} \times 0.55 \text{ ECU/phl} \times 100 = 44.0 \text{ m ECU}$$

6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ?

YES/XX

6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?

XXX/NO

XXXXXXXXXXXX

XXX/NO

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ?

(1)

YES/NO

## OBSERVATIONS :

The preliminary draft 1983 budget includes an appropriation of 35 m ECU for this measure.